

Exchange Fund Abridged Balance Sheet and Currency Board Account

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (February 28) that the total assets of the Exchange Fund amounted to HK\$4,181.6 billion as at January 31, 2019, HK\$122.2 billion higher than that at the end of December 2018. Foreign currency assets increased by HK\$139.6 billion while Hong Kong dollar assets decreased by HK\$17.4 billion.

The rise in foreign currency assets was mainly due to an increase in unsettled purchases of securities, mark-to-market gains on foreign currency portfolios and the issuance of Certificates of Indebtedness. The decline in Hong Kong dollar assets was mainly due to a decrease in Exchange Fund Bills and Notes issued but not yet settled, which was partly offset by additional placements from Fiscal Reserves.

The Currency Board Account shows that the Monetary Base at the end of January 2019 was HK\$1,655.7 billion, increased by HK\$23.2 billion, or 1.4 per cent, from the end of December 2018. The rise was mainly due to the increase in the outstanding amount of Certificates of Indebtedness, which reflected the seasonal demand for banknotes around Lunar New Year.

The amount of Backing Assets increased by HK\$29.4 billion, or 1.6 per cent, to HK\$1,822.9 billion. The increase was mainly attributable to the issuance of Certificates of Indebtedness, revaluation gains and interest from investments. The backing ratio increased from 109.86 per cent at the end of December 2018 to 110.09 per cent at the end of January 2019.

At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of February 2019, the scheduled dates for issuing the press releases are as follows:

| | |
|-------------------------|------------------------------------------------------------------------------------------------|
| February 11 (Issued) | SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures) |
|-------------------------|------------------------------------------------------------------------------------------------|

| | |
|-------------------------|-----------------------------------------------------------------------------------------|
| February 14 (Issued) | SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund) |
| February 28 | SDDS Template on International Reserves and Foreign Currency Liquidity |
| February 28 | Exchange Fund Abridged Balance Sheet and Currency Board Account |